

# **EXHIBIT H**



# City of Austin

Aviation Department

**Austin-Bergstrom International Airport**

3600 Presidential Blvd., Ste. 411, Austin, Texas 78719

512/530-2242 Fax: 512/530-7686

July 13, 2021

**Via UPS No. IZ 814 EY9 NP 3364 4406**

Highstar Capital IV, L.P.

Attention: Scott D. Litman, General Counsel

277 Park Avenue, 45th Floor

New York, New York 10172

Oaktree Capital Management, L.P.

Attention: Todd E. Molz, General Counsel

277 Park Avenue, 45th Floor

New York, New York 10172

Re: South Terminal Lease and Concession Agreement at Austin-Bergstrom International Airport ("AUS") dated March 24, 2016 between the City of Austin (the "City") and LoneStar Airport Holdings, LLC ("LoneStar") (the "Lease")

Dear Messrs. Litman and Molz:

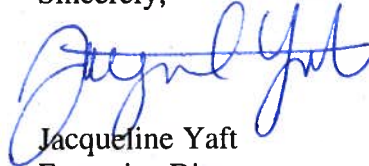
I am writing on behalf of the City and AUS regarding the Airport Expansion Development Program (the "AEDP"), the South Terminal and the Lease. In 2019 and 2020, prior to the COVID-19 health crisis, I notified you under Article 15 of the Lease that AUS was interested in purchasing LoneStar's leasehold interests under the Lease and that the South Terminal would need to be removed within a two-year time period. Consistent with and after further consideration of our discussions last year, AUS has confirmed, based on the advice of independent consultants, that the growth of operations of existing and/or future air carriers at AUS requires New Facilities, as that term is defined in the Lease, including the expansion of the Barbara Jordan Terminal and a New Midfield Concourse B. Additionally, AUS has confirmed that these New Facilities will necessitate the construction of New Midfield Taxiways H and J and the related Airfield Improvements, which in turn will require the removal of the South Terminal within approximately the next two years.

As we have previously discussed, the City and AUS maintain their interest in acquiring the South Terminal leasehold interest in order to implement the AEDP. Therefore, we invite LoneStar to negotiate an appropriate purchase price for that interest. The parties should also discuss a reasonable process that addresses the winding down of the South Terminal and the transition of the air carriers, vendors, and concessionaires at the South Terminal, including their employees, to the New Facilities. Time is of the essence. So, please contact me within the next ten (10) days to discuss the scheduling of a meeting to begin to negotiate a mutually agreeable purchase price. If

LoneStar fails to respond timely, we will assume LoneStar has no intention to sell its South Terminal leasehold interest voluntarily to the City. In that event, the City will pursue all other available legal remedies, including condemnation proceedings as contemplated by Article 34 of the Lease.

The City reserves all of its rights under the Lease and as otherwise provided by law or equity to ensure AUS is able to timely pursue and implement the AEDP. We look forward to receiving your response and continuing our dialogue.

Sincerely,



Jacqueline Yaft  
Executive Director

cc: Jeff Pearse  
Chief Executive Officer  
LoneStar Airport Holdings, LLC

*Via Email:* [jpearse@austinsouthterminal.com](mailto:jpearse@austinsouthterminal.com)

James Burchetta  
Managing Director  
Transportation Infrastructure Investing  
Oaktree Capital Management, L.P.

*Via Email:* [JBurchetta@oaktreecapital.com](mailto:JBurchetta@oaktreecapital.com)